

January 15, 2016

Mr. Kenneth Thiessen, R.G., C.E.G. Oregon Department of Environmental Quality 700 NE Multnomah Street, Suite 600 Portland, Oregon 97232

Re:

Voluntary Agreements Progress Report – Fourth Quarter 2015 Shore Terminals LLC Portland Facility Portland, Oregon ECSI No. 5130 – Shore Terminals 1189-29

Dear Mr. Thiessen:

This letter presents the quarterly progress report for the Shore Terminals LLC Portland Facility located at 9420 NW St. Helens Road in Portland, Oregon (the Facility). This letter is submitted in accordance with the Voluntary Agreement for Source Control Measures (SCM) and the former ExxonMobil Voluntary Cleanup Agreement No. ECVC-NWR-01015 (Voluntary Cleanup Agreement). Shore Terminals LLC (Shore Terminals) began performing actions under these agreements on October 13, 2009 and December 22, 2011, respectively. This progress report includes the following for the fourth quarter of 2015:

- Actions performed under the Voluntary Cleanup Program (VCP) Agreements;
- Actions scheduled for the next quarter;
- Data generated; and
- Problems experienced and resolution.

FOURTH QUARTER 2015 ACTIONS PERFORMED UNDER THE VCP AGREEMENTS

- Submitted the Third Quarter Progress Report on October 14, 2015;
- Gauged monitoring wells AC-6, KMW17, KMW32, W-15, and loading rack monitoring wells AC-8, AC-9, AC-10, and KMW13 for the potential presence of separate-phase petroleum hydrocarbons (SPH) on an at least monthly basis;
- Conducted operation and maintenance of the air sparging/soil vapor extraction (AS/SVE) system; and
- Met with Oregon Department of Environmental Quality (DEQ) on December 2, 2015 to discuss current project status.

ACTIONS SCHEDULED FOR THE NEXT QUARTER

- Continue bi-weekly operation and maintenance monitoring of the AS/SVE system;
- Gauge liquid levels in monitoring wells AC-6, KMW17, KMW32, W-15, and loading rack monitoring wells AC-8, AC-9 and AC-10 at least monthly to evaluate the potential presence of SPH; and
- Prepare and submit the Second Semi-Annual 2015 Groundwater Monitoring Report.

SAMPLING, TEST RESULTS, AND ANY OTHER DATA GENERATED BY SHORE TERMINALS DURING THE FOURTH QUARTER 2015

- System operational data were collected from the AS/SVE. These data will be included in the Second Semi-Annual 2015 Groundwater Monitoring Report to be submitted to DEQ in February 2016;
- Measureable SPH was observed in wells AC-6 and KMW17 during one or more of the gauging events. The
 results for SPH monitoring and recovery will be reported in the Second Semi-Annual 2015 Groundwater
 Monitoring Report; and
- Measureable SPH was observed in Loading Rack area well AC-9 during fourth quarter 2015. Weekly SPH
 monitoring and recovery at well AC-9 was initiated. The results for SPH monitoring and recovery will be
 reported in the Second Semi-Annual 2015 Groundwater Monitoring Report.

PROBLEMS EXPERIENCED AND RESOLUTION

No problems encountered. The groundwater extraction (GWE) system remains off due to due to iron fouling. Groundwater levels in the extraction wells continue to be monitored while the GWE system is inactive.

If you have any questions regarding this progress report, please do not hesitate to contact either of the undersigned at (503) 924-4704.

Sincerely,

lan Maguire, P.E. Project Engineer Amanda L. Spencer, R.G., P.E. Principal Hydrogeologist

CC:

Ms. Victoria Wark, NuStar Energy, L.P. (Electronic Deliverable)

Mr. Steve Kober, Shore Terminals LLC (Electronic Deliverable)

Ms. Eva DeMaria, Environmental Protection Agency (Electronic Deliverable)

Mr. Sean Sheldrake, Environmental Protection Agency (Electronic Deliverable)